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Media Release

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Attorney General's Office to Sponsor Foreclosure Prevention Workshops November 8 and 9

Wilmington – The Attorney General's Mortgage Fraud Task Force is sponsoring free statewide housing workshops on November 8th in Seaford and November 9th in Wilmington to help Delawareans who are at risk of losing their homes to foreclosure, Attorney General Beau Biden announced today. The workshops are offered to facilitate loan modifications, reduce foreclosures, and provide information to help residents stay in their homes and avoid foreclosure fraud. Since 2009, more than 1,200 homeowners have attended 20 workshops sponsored by the Task Force in conjunction with the Delaware State Housing Authority and State Bank Commissioner.

"Our goal is to make sure that homeowners who are seeking ways to meet their mortgage obligations are able to have meaningful conversations with their lenders and avoid being victimized by mortgage "rescue" scams that strip homeowners of their equity and their home," Attorney General Biden said. "I strongly encourage homeowners who are behind on mortgage payments to attend our housing workshops where they can sit face-to-face with their lenders and discuss repayment plans or other options to avoid foreclosure and get information about the many services available to them."

Sheriff sales of foreclosed homes increased 33% statewide during the first ten months of the year, climbing to 2,166 from 1,628 during the first ten months of 2010. Among Delaware counties, Sussex had the biggest jump, 63% to 551 sales from 339 last year. Statewide foreclosure filings for the first ten months of 2011 totaled 3,749, representing a reduced pace from the record 6,400 filed in all of 2010, but remaining at a historically elevated level.

Homeowners who have missed mortgage payments, are facing foreclosure, or suspect foreclosure fraud can receive immediate on-site help from housing professionals. At each workshop, mortgage servicers, state employees, and HUD-certified housing counselors will discuss mortgage modifications, government homeowner programs, and foreclosure scams.

Walk-ins are encouraged. Workshops will take place as follows:

Tuesday, November 8, 2011

3 to 7 p.m.

Nanticoke Senior Center, 1001 West Locust Street, Seaford

Participating Servicers: AHMSI, Bank of America, CITI, GMAC, OCWEN, US Bank

Wednesday, November 9, 2011

1 to 7 p.m.

Chase Center on the Riverfront, 815 Justison Street, Wilmington

Participating Servicers: AHMSI, BANK of America, Chase, CITI, Freddie Mac, GMAC, HSBC, OCWEN, US Bank

Homeowners who wish to meet on-site with their mortgage servicer should bring information about current income and details about their current mortgage, including loan number, monthly payment, interest rate, and loan balance.

This year Biden's office has taken action to ensure that homeowners who are faced with foreclosure are able to have meaningful conversations with their lender about their mortgage. Specifically, the Department of Justice drafted legislation that was recently signed into law that establishes a statewide automatic foreclosure mediation program and provides additional protections for homeowners in foreclosure. Beginning next January, when a lender files a foreclosure action in court, every homeowner will have the opportunity to sit down face-to-face with their lender to discuss alternate resolutions before that foreclosure moves forward.

Biden's office is also investigating a range of mortgage and foreclosure practices by the financial services industry. In addition to helping to lead a nationwide investigation by state Attorneys General into serious questions about banks' foreclosure practices, last week Attorney General Biden filed a lawsuit in Delaware Chancery Court against the shadow mortgage registry known as MERS that is at the center of the housing crisis. The suit charges that the Mortgage Electronic Registration System (MERS) engaged in deceptive trade practices that sow confusion among homeowners, investors, and other stakeholders in the mortgage finance system, seriously damaging the integrity of the land records that are central to Delaware's real property system, and leading to improper foreclosure practices.

Attorney General Biden stated when he announced last week's lawsuit: "MERS has raised serious questions about who owns what in America. Rules matter. A homeowner has the obligation to pay the mortgage on time, and lenders must follow the rules if they are seeking to take away someone's house through foreclosure. The honor system won't work."

For more information about the November 8 and 9 workshops, call the Attorney General's Foreclosure Hotline at 1-800-220-5424, e-mail mortgage@state.de.us, or visit www.attorneygeneral.delaware.gov.

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